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Lessons learnt?

The EU approach to democracy promotion revisited

Věra Řiháčková

Senior Research Fellow,
EUROPEUM Institute for European Policy

DISCUSSION PAPERS



Key Conclusions

The EU should use its large and diverse institutional capacities – ranging from central bodies over EU delegations to the member states' diplomacies for the purpose of democracy promotion. The willingness of all member states to align their foreign policies with common EU strategies is the biggest challenge in this regard.

The EU is the greatest trade power in the world and many emerging countries' economies rely on exports to the EU (mainly China). The EU should therefore profit from its position in order to push for more conditionality in the field of human rights and democracy to be included in trade agreements at both the WTO and bilateral/multilateral levels.

Human rights and democracy promotion is often seen as a new kind of Western imperialism while cultural relativism and promotion of special values (Islamic human rights, Asian values, etc.) have been gaining ground both in third countries and some Western intellectual circles. That is why a measure made approach tailored to the specific cultural circumstances of individual countries or regions should be pursued while recognising the basic principles of human rights protection and democratic rule as universal ones.

The EU has one mighty tool that can make and does make a difference – money. EU funds remain the main democracy promotion instrument even though the current Eurozone crisis and stretched public finances could lead to greater scarcity. The envisaged increased funding for external assistance within the next Multiannual Financial Framework (2014-2020) is good news.

The European Endowment for Democracy might see the light of day before the end of this year with well suggested structure and priorities. However, it is necessary to pay attention to the details and not to lose important tools that have been emerging with difficulties under EIDHR through lack of coordination or due to any other turf battles. Another challenge will be to create true synergies among the EU funding instruments and maximise the impact of actions.

The promotion of democracy is one of the key objectives of the EU's external policy anchored in the Union's primary law;¹ it encompasses a great variety of issues ranging from democratic participation (including universal suffrage, free election, multi-party structure, equality of access to political activity, participatory decision-making) to human rights (including adherence to and implementation of commitments under international human rights treaties and conventions, and protection of civil liberties) to the rule of law (including an independent and effective judiciary, transparent legal framework, equality of all citizens before the law, etc.).² In general, the EU promotes democracy directly utilising tools that are designed for this specific objective and indirectly through other instruments that contain references to democracy (such as conditionality). Moreover, the EU does not act in a vacuum but rather within a complex environment where different actors follow various approaches to democracy promotion and pursue different policies through various means that can be both complementary and contradictory to EU efforts and aims.

¹ "The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms ..." (Consolidated Version of the Treaty on European Union, Title V, Chapter 1, Art.21)

² See, for example (EC 2003: 10)

Where do we stand?

The EU's way of championing democracy has delivered mixed results so far, markedly in its closest neighbourhood. In an attempt to get better equipped for the upcoming period that will be crucial especially for putting or keeping both the Mediterranean and Eastern neighbours on democratic track (of vital interest to the EU), the old tools have been reviewed and some new initiatives envisaged. The referential EU document – *Council Conclusions on Democracy Support in the EU's External Relations and its Agenda for Action* adopted on 17 November 2009, and 13 December 2010 (Progress Report and the List of pilot countries) embedded democracy promotion firmly into the EU discourse and agenda. The Comprehensive report on the implementation of the Conclusions is to be presented in early 2012 assessing the incoherencies of the EU approach to democracy promotion.³

In the review (Communication) of the European Neighbourhood Policy presented on 25 May 2011,⁴ the Commissioner for Enlargement and European Neighbourhood Policy Stefan Füle and the High Representative of the European Union for Foreign Affairs and Security Policy Catherine Ashton unveiled new ambitious concepts and instruments, and suggested a re-launch of selected policy incentives. The good news was that the idealistic ethos of democracy support was present in this review that suggests future policy lines. The “deep democracy concept” stems from experience with the “stability objective” that has been gathered especially in the MENA region over the last decades, experience that taught the EU that stability cannot be decoupled from democracy and democratic development. Also the fact that the EU is aiming at “partnership with societies,” not governments, is marked by many as a step in the right direction, given the state of democratic development in some of the countries concerned. At the same time, it is still quite unclear how the new policy line suggested in this document will materialise in reality and what kind of innovative implementation tools are going to be employed. In relation to the “more for more” principle mentioned in the review, the Commission was, for example, working on a new conditionality of financial support that would have a mechanism allowing for decreasing support to partner governments while increasing support to civil society when benchmarks of democratic development are not met. Yet the Commission acknowledges problems with channelling resources to CSOs, and the possibility of over-relying on civil society when other, primarily political tools and unified foreign policy lines are not present, and realises that to have a real impact a mixed approach is in order. The best use of the post-Lisbon changes of the EU institutional setting and power (re)distribution should be made if an effort to deliver effectively on this policy is to bear fruit. Besides improved foreign policy delivery, tendencies to undermine the EU's ability to deliver on democracy promotion during the upcoming EU 2014-2020 budgetary battle have to be countered, with a focus on improved effectiveness, complementarity and flexibility of EU spending via new tools, better programming of the existing ones, and better control over the resources granted and also shared with other implementing bodies and international organisations.

Furthermore, on December 12, 2011, the Commission and HR Ashton published a *Joint Communication to the European Parliament and the Council – Human rights and democracy at the heart of EU external action – towards a more effective approach*.⁵ The paper, which is the first of its kind under HR Ashton's mandate, is addressed to other main EU bodies in order to get feedback from MEPs and the member states on the EU's human rights and democracy promotion strategy. The paper deserves attention for suggesting a realistic approach which is mainly entailed in the general suggestion that EU policy in the area of human rights and democracy promotion should be much more tailored to specific

³ For more, see (Svarovska, Kucharczyk, 2011)

⁴ Joint Communication by the High Representative of The Union for Foreign Affairs and Security Policy and the European Commission, A New Response to a Changing Neighbourhood, A review of European Neighbourhood Policy, May 2011

⁵ European Commission, EU High Representative for Foreign Affairs and Security Policy, Joint Communication to the European Parliament and the Council, Human Rights and Democracy at the Heart of EU External Action – Towards a More Effective Approach, COM (2011) 886 Final, December 12, 2011, http://eeas.europa.eu/delegations/brazil/documents/hrweek/jointcommunication_en.pdf

conditions and circumstances on the ground in the particular country concerned than it is now. In reality this can mean, for example, that there is no use pushing China to abandon the death penalty and attention should rather be paid to other issues where the EU can bring an added value. Whether an added value will mean backing off from burning issues due to lack of political backup or a smart piecemeal strategy of “penetration by democracy” remains to be seen if the policy is to be followed.⁶

In the Joint Communication, HR Ashton and the Commission also suggest that human rights and democracy conditionality clauses remain and should be further enhanced in any kind of EU multilateral or bilateral assistance or trade agreement concluded with a third country. This is definitely a positive trend as the EU is the greatest trade power in the world and many emerging countries’ economies rely on exports to the EU (mainly China). The EU should therefore profit from its position in order to push for more conditionality in the field of democracy and human rights to be included in trade agreements both at the WTO level and at the bilateral/multilateral level, including a Generalised System of Preferences (GSP) for ACP countries. Nevertheless, one can doubt how efficiently such provisions would be implemented, not to mention enforced, with regards to China, for example. The suggested idea that countries embracing or strengthening their democracy will be given extra funding is an attempt to bring more carrots in; however, this probably needs to be combined with other benefits in order to deliver results as the EU is not the only actor with extra money out there.

HR Ashton also suggests in the paper that COHOM (the Council Working Group on Human Rights) should be a standing body staffed by Brussels-based people from permanent representations of member states and not by officials commuting from the capitals as it is now. Furthermore, the paper insists that COHOM should be working on on-going issues and coordinating other relevant EU bodies and the member states’ actions. One of the reasons for such a move also lies in the constantly increasing work-load of COHOM, while making it a standing body with permanent personnel would boost the importance of its agenda within the EU institutional structure. One can have no objections to such an idea. It seems, however, the institutional re-shuffle is a classic EU sort of reaction to challenges, and this measure is no exception to the rule with the expected increased effectiveness yet to be seen.

The EU is often considered toothless in pushing through its democratic values and policy priorities vis-à-vis other countries and regions. To a large extent this is true, as many reasonable ideas remain only on paper but deliver no repercussions in reality. On the other hand, there is one mighty tool that can and does make a difference – money. EU funds remain the primary democracy promotion instrument even though the current Eurozone crisis and stretched public finances could lead to greater scarcity in this regard. But for the time being, the negotiations on the next Multiannual Financial Framework (2014-2020) foresee that external assistance instruments will be given increased funds for action, including the allocation for the European Instrument for Democracy and Human Rights (EIDHR, see table 1). Also the deliberations on the emerging European Endowment for Democracy promise to eventually bring in more member states’ funding.

Table 1. Proposed funding for 2014-2020 (in million), selected EU external action instruments

	2014-2020 ⁷	2007-2013 ⁸
EIDHR	1,578	1,1
Pre-accession instrument (IPA)	14,110	11,5
European Neighbourhood Instrument (ENPI)	18,182	11,2
Instrument for Development Cooperation (DCI)	23,295	16,9
Instrument for Stability	2,829	2,1
European Development Fund (EDF, outside the EU budget)	34,276	22,7

⁶ Whether this “food for thought” paper will turn into policy action is unclear as many member states and CSOs expressed their concerns over how the paper emerged, although agreeing to large extent with the content.

⁷ Source: Commission Direct, Weekly internal newspaper of the European Commission, No. 616, November 7, 2011

⁸ Source: European Commission, What funding for EU external action after 2013?, Consultation paper, http://ec.europa.eu/development/icenter/repository/EU_external_action_2013_background_paper.pdf

Let us now turn our attention to the mighty EU democracy promotion tools channelled via civil society in greater detail, as local and EU civil society is growingly seen as the main vehicle for change when delivering on democracy promotion.

EIDHR

The EU's European Instrument for Democracy and Human Rights (EIDHR), supporting local as well as European civil society organisations in third countries, is considered unique in its design.⁹ After initial suggestions to abolish the EIDHR in 2014-2020 (Commission consultation paper) and turn it into a horizontal issue (i.e., democracy and human rights) that would be main-streamed, as the popular jargon calls it, through all EU instruments and policies that meet complex resistance, the proposal for future EIDHR is drafted by DG DEVCO. Despite the fact that the EU is not in the best financial condition, and with regard to the lack of inter-service cohesion over the future budget (the clashes between EEAS and DG DEVCO are allegedly frequent), the EIDHR proposal is expected come out with a 20% increase in budget, which would be allegedly consistent with the impact assessment and absorption capacity of the previous instrument (2007-2013). This is definitely good news. The Commission, however, is currently struggling with spending the 2011-2012 EIDHR budget leftovers due to variety reasons – a fact which might serve as a counter-argument during the debate on future funding. There is also a will to further relax the Financial Regulation and Implementing Rules so that more flexibility for EIDHR funding can be employed, especially with regard to Human Rights Defenders (HRD) (a new comprehensive mechanism allowing for action within 24 hours, if needed, should materialise, operating with a maximum €10.000 in direct support and further support to a HRD after reallocation). The final look of the next phase of the instrument will be modified significantly by the European Parliament and the member states in the Council. For example, the pertinent issue of the constantly growing budget for electoral observation missions, which are covered from the EIDHR budget line and criticised by civil society (and cautiously questioned by some in the Commission from the added value point of view) for lack of long-term strategy and extensive costs, will be most likely supported again and pushed through by the European Parliament and some of the member states.

Despite the upcoming debates on the financial allocations within the EIDHR, it is essential the instrument remains as a self-standing tool with many particular agendas being modified and improved in cooperation with the local and EU civil society (HRDs, CBSS). In the upcoming period, maximum use should be made of its specificities in combination with the actions carried out by the European Endowment for Democracy that can especially complement the missing rapid reaction ability of a standard EU instrument which must observe strict financial rules and cannot fund certain entities (e.g., political parties).

New kids on the block – ENPI Civil Society Facility and European Endowment for Democracy

ENPI Civil Society Facility

The incentive for this new facility from which civil society could be funded, and which would work within the ENPI, emerged within the Eastern Partnership Civil Society Forum and was taken on board by the EEAS and the European Commission when preparing the ENP review. The facility should operate in 2011-2013 on a preliminary allocation of €60 million (€20 million distributed each year of the cycle) with no *a priori* geographic distribution of the funding between East and South. There are three proposed components. Component 1 – Strengthen NSA capacities to promote reform and increase public accountability – which is to be implemented in 2011, most likely aims at the ENP South,

⁹ See, for example (Rihackova 2010)

as it mainly focuses on trainings and capacity building. A “comprehensive analysis” of the needs in every ENP country done by the Commission and EEAS should precede the programming of the call under Component 1. Given the still understaffed EU delegations in most of the countries and the lack of strategy on how to involve the local actors into the preparations of the comprehensive analysis, the quality of output and the timeline of delivery remain unclear. Component 2 – Strengthening NSAs through support to regional or country projects – should run during the course of the programming cycle and provide funding for projects related to ENP implementation (mostly monitoring projects), Eastern Partnership and Union for Mediterranean based on regular calls for proposals under still unspecified terms, regulated, however, by the existing Financial Regulation and Implementing Rules, and thus not appropriately flexible (less even than EIDHR calls for proposals). A specific call for proposals for regional flagship projects may be launched, most likely on the issue of improving the environment for NSAs, which is a generally well-selected priority in relation to both the EaP and MENA regions. Component 3 (implementation in 2012 and 2013) should aim at encouraging partner governments to propose and implement bilateral programs aiming at reinforcing civil society.

The aim of the new tool is in line with EU efforts to support local civil society as the main vehicle for change from within the countries. However, it is already clear that maximum flexibility of funding under this Facility will not be employed. With regard to this fact, the Commission could consider allocating part of the resources to structural support targeting selected local CSOs following the model used by the EACEA for the intra-EU calls for structural support of selected sectors of EU civil society. This could allow for the continuous work of selected organisations that pursue important activities. Also, in order to avoid funding GONGOs, the Commission could consider abolishing Component 3 in relation to some of the ENP countries. Whether the Facility is to be kept in the MFF 2014-2020 remains to be seen; the idea, however, has the strong support of Commissioner Füle.

European Endowment for Democracy (EED)

The idea to establish the European Endowment for Democracy was promoted by Poland as one of the flagship initiatives of its 2011 Presidency and was supported by the Commission and EEAS. However, as no clear concept had been presented for a long time and there were several competing ideas, it seemed likely the EED would not materialise by the end of the Polish Presidency. The prospect is more optimistic now – the EED concept was drafted by the EEAS and the Commission, approved by the Council at the beginning of December and sent to the European Parliament. Preparations for its political declaration¹⁰ are on the way and it seems likely the EED could see the light of a day by the end of this year, although with limited funding provided by interested member states, a starting core contribution provided from the EU budget, and with initial focus on the EU neighbourhood.

Its main advantage would be flexibility and the ability to react swiftly. It should work primarily as a grant-making institution, using direct support to beneficiaries or re-granting via other CSOs as well. As direct and indirect funding to political parties is excluded under existing EU instruments, the EED could provide room for innovative ways of working with political parties and actors, which is good news unless most of the funding is channelled via established EU political foundations with local “darlings” in third countries or goes to support of parliamentary work in third countries. Another thorny issue might be coordination with EIDHR and other EU instruments supporting civil society. As suggested by some, when the EED is operational, the EIDHR should focus on long-term measures complementing the geographic instruments for external action, and follow-up on EED projects due to its long granting cycle. Though this is a good argument, it is necessary to pay attention to the details and not to lose important tools that have been emerging with difficulties under EIDHR (HRD related measures, support of

¹⁰ “To ensure its rapid set up, the EED will take the form of an International Trust Fund, to be established by participating Member States under the law of a Member State. Its creation will be based on a Declaration, establishing a political framework for the EED. This Declaration will be signed by an initiative group of Member States. Once established, participation in the EED may be opened to for signature by other Member States, EFTA countries and candidate countries, as appropriate and in accordance with its original mission.” (EEAS, EED Terms of Reference)

non-registered entities) due to lack of coordination or any other turf battles. Another challenge will be to create true synergies among the EU funding instruments to maximise their impact.

To conclude, at the moment the EU has a new set of ideas as well as old and new tools to improve its delivery on democracy promotion. Despite the current complicated and uneasy intra-EU situation, it is in the utmost interest to use the momentum and dedicate efforts, political capital and resources. This is not only because there are many challenges that need to be tackled especially in its close neighbourhood for risk-reduction, but also for the sake of its deeper philosophical and political ethos – an affirmation that we still believe in democracy and are ready to support it elsewhere.

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About the author

Věra Řiháčková is a Senior Research Fellow at the EUROPEUM Institute for European Policy, a Prague-based think tank, and a former member of the Eastern Partnership Civil Society Forum Steering Committee. Her work on democracy promotion includes “Walking the tightrope of democracy aid, The long and winding road towards ‘flexible’, well-targeted EU funding for democracy and human rights” (Policy Brief No.3 2010, PASOS, Prague) and “European Union: Democracy versus Bureaucracy, An Assessment of the Reform of the EU’s External Assistance Instruments” (in: Kucharczyk, Jacek, Lovitt, Jeff (2008), *Democracy’s New Champions*, European democracy Assistance after EU Enlargement, PASOS, Prague).

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**The Institute of Public Affairs
Address: 5 Szpitalna St., # 22, 00-031 Warsaw, Poland
tel. +48 22 556 42 99
fax +48 22 556 42 62
e-mail: isp@isp.org.pl; www.isp.org.pl**